

6 JUN 1968

Mr. Norman C. Conway, Manager  
Washington, D. C. Regional Group Office  
Mutual of Omaha Insurance Company  
Suite 1215, 1750 Pennsylvania Avenue  
Washington, D. C. 20006

Dear Mr. Conway:

Your letter of 3 June 1968 was used in our meeting with the GEHA Board of Directors this morning. I am enclosing a copy of my letter to the Director, Bureau of Retirement and Insurance which requests approval of one benefit change, i. e., full semi-private room and board coverage.

I am also enclosing a separate letter to the Director, BRI concerning our Plan's coverage for transplants and the removal of the present exclusion for alcoholism, drug addiction, and attempted suicide.

Please note that your letter of 3 June 1968 did not specifically cover removal of the exclusion for drug addiction and attempted suicide. You indicated in a conversation that this was an oversight and it is for this reason that I took the liberty of including these items in my letter to BRI.

I think it is important to also be certain of our agreement on the cost associated with transplant operations. Let's presume that the donee is a member insured under our Association Benefit Plan. Our understanding is that if the donor is not a member of our Plan and has outside insurance which will provide coverage for his operation, that coverage will be used first. If the donor does not have insurance which will provide coverage for the expenses involved, we will use the donee's participation in our Association Plan to pick up the cost of the donor's expenses. If both the donor and the donee participate in our Plan, we will treat the claims separately.

We very much appreciate the information contained in your letter of 3 June as well as the additional information supplied orally. I urge you, however, to supply us with the new insurance contract concept that we discussed with Mr. Randall. I foresee that we will have several consultations all directed toward the end of providing our policyholders with the finest plan available at the most reasonable cost and which also can be easily and economically administered.

Please let me know if you have any questions about this letter or the enclosures.

Very truly yours,

[Redacted Signature]

President

**Enclosures**

**Distribution:**

- 0 & 1 - Addressee
- ✓ 1 - C/IB
- 1 - BSD Chrono
- 1 - Assoc. Benefit Plan

OP/DD/Pers/SP, [Redacted] (5 June 1968)

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6 JUN 1968

Mr. Andrew E. Ruddock, Director  
Bureau of Retirement and Insurance  
U. S. Civil Service Commission  
Washington, D. C. 20415

Dear Mr. Ruddock:

This letter follows up on our previous conversations concerning the present exclusion in our Association Benefit Plan with respect to coverage for alcoholism, drug addiction, and attempted suicide. Our Board of Directors requests approval to remove this exclusion, effective immediately. We have the underwriter's concurrence to this action. No increase in premium is involved.

You and I also discussed coverage associated with the donor in a transplant operation. Our Board of Directors requests approval to include this coverage, effective immediately. Our underwriter concurs in this action and informs us that no premium increase is necessary. In its concurrence, the underwriter notes that if a donor is a covered member or a dependent of a covered member, our basic program would be used for payment of expenses. If the donor has other insurance coverage, which would provide for payment of expenses, we would expect that coverage to be used first. If the donor does not have any insurance, it would agree to provide coverage to the extent of the donee's protection in our Plan.

As noted above, we would like to institute these changes immediately and would appreciate your early decision.

Very truly yours,

President

CC: Mr. Norman C. Conway  
Mutual of Omaha

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6 JUN 1968

Mr. Andrew E. Ruddock, Director  
Bureau of Retirement and Insurance  
U. S. Civil Service Commission  
Washington, D. C. 20415

Dear Mr. Ruddock:

I have been authorized by the Board of Directors, Government Employees' Health Association, Inc., to respond to your letter of 19 April 1968 and to set forth in this letter proposed changes in benefits and premiums which the Board is contemplating for our Association Benefit Plan for the forthcoming contract year.

In view of the limitations expressed in your letter of 19 April and your advice to limit benefits changes and premium increases, the Board has restricted its review to what it considered essential needs of our subscribers. Only one change is now being requested. The Board requests approval to change our present room and board benefit concept to one that provides coverage for full semi-private room up to a period of 90 days. Our underwriter has informed us that this change will require a monthly brochure rate of \$ .82 for Self Only and \$2.27 for Self and Family. The bi-weekly net to carrier contract increase for this coverage will be \$1.01 for Self and Family and \$ .37 for Self Only.

We are available for discussion of the contents of this letter should you so wish.

Very truly yours,



President

CC: Mr. Norman C. Conway  
Mutual of Omaha

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- 0 & 1 - Addressee
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- 1 - Assoc. Plan File

OP/DD/Pers/SP/ (5 June 1968)

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